

NEW APPLICATION



0000168092

TEP

Tucson Electric Power

88 East Broadway Blvd., Post Office Box 711
Tucson, Arizona 85702

RECEIVED

2016 FEB -1 P 4: 36

Melissa Morales
Regulatory Services Coordinator, Legal Services

AZ CORP COMMISSION
Docket Control
Telephone: (520) 884-3680
mmorales@tep.com

February 1, 2016

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

E-01933A-16-0038

Arizona Corporation Commission

DOCKETED

FEB 1 2016

Re: Tucson Electric Power Company
Docket No. E-01933A-16-



Application for Approval of Revised Rider R - 3 for Net Metered Customers

Tucson Electric Power Company ("TEP" or "Company") hereby submits a revised Rider R-3 Market Cost of Comparable Conventional Generation ("MCCCG") Calculation for approval by the Arizona Corporation Commission ("Commission"). Rider R-3 was last approved by the Commission in Decision No. 74973 (March 16, 2015) and sets the MCCCG to be used in conjunction with Rider-4 NM PRS, Net Metering for Certain Partial Requirements Services. TEP proposes to revise the MCCCG rate to update the anticipated avoided cost to be used for the Annual Credit for Excess Generation as defined in Rider-4 NM-PRS. A clean and redlined version of page 2 of the TEP Statement of Charges, which shows the rate, is attached.

The proposed MCCCG rate of \$0.0252036 per kWh *decreases* the MCCCG rate in Rider R-3, which will have the effect of decreasing the Credit for Excess Generation under the Company's Rider-4 NM-PRS. This credit is calculated and applied in the customer bill produced in October (September usage) or on a customer's "Final" bill.

TEP requests that the Commission approve the revised Rider R-3 to become effect on April 1, 2015. If you have any questions, please contact me at (520) 884-3680.

Sincerely,

Melissa Morales

cc: Thomas Broderick, Director, Utilities Division
Barbara Keene, Utilities Division

CLEAN



Tucson Electric Power

Tucson Electric Power Company

Sixth Revised Sheet No.: 801-1

Superseding Fifth Revised Sheet No.: 801-1

TEP STATEMENT OF CHARGES

Description	Rate	Effective Date	Decision No.
Rider R-1 – Purchased Power and Fuel Adjustment Clause (PPFAC)	\$0.001501 per kWh	Pending	Pending
Rider R-2 – Demand Side Management Surcharge (DSMS) RESIDENTIAL: NON-RESIDENTIAL: FREEPORT-MCMORAN COPPER AND GOLD (25 MW and above):	\$0.002311 per kWh 2.466% Exempt	January 6, 2015	74885
Rider R-3 – Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS	\$0.025204 per kWh	Pending	Pending
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™) Solar Block Energy Rate for Residential Lifeline Discount, Rate R-06-01 Solar Block Energy Rate for Residential Electric Service, Rate R-01 Solar Block Energy Rate for General Service, Rate GS-10 Solar Block Energy Rate for Large General Service, Rate LGS-13 Solar Block Energy Rate for Municipal Service, Rate PS-40	\$0.050198 per kWh \$0.050324 per kWh \$0.048475 per kWh \$0.049371 per kWh \$0.049086 per kWh	February 1, 2011	71835 ¹
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™) Solar Block Energy Rate for Residential Electric Service, Rate R-01 Solar Block Energy Rate for Small General Service, Rate GS-10 Solar Block Energy Rate for Large General Service, Rate LGS-13	\$0.053463 per kWh \$0.053274 per kWh \$0.053227 per kWh	July 1, 2013	73912
Rider R-6 – Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery <u>Monthly Cap</u> For Residential Customers: For Small General Service Customers: For Large General Service Customers: For Large Light & Power Customers: For Lighting Customers:	\$0.008000 per kWh <u>Monthly Cap</u> \$ 3.76 per month \$ 100.00 per month \$1,015.00 per month \$8,000.00 per month \$ 100.00 per month	January 1, 2015	74884

¹The Rider R-5 approved by Decision No. 71835 is closed for new enrollment as of July 1, 2013

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: July 1, 2013
Decision No.: 73912

REDLINE



Tucson Electric Power

Tucson Electric Power Company

Fifth ~~Sixth~~ Revised Sheet No.: 801-1

Superseding Third ~~Substitute Fourth~~ Fifth Revised Sheet
No.: 801-1

TEP STATEMENT OF CHARGES

Description	Rate	Effective Date	Decision No.
Rider R-1 – Purchased Power and Fuel Adjustment Clause (PPFAC)	\$0.006820 <u>\$0.001501</u> per kWh	April 1, 2015 <u>Pending</u>	74974 <u>Pending</u>
Rider R-2 – Demand Side Management Surcharge (DSMS)			
RESIDENTIAL:	\$0.002311 per kWh	January 6, 2015	74885
NON-RESIDENTIAL:	2.466%		
FREEPORT-MCMORAN COPPER AND GOLD (25 MW and above):	Exempt		
Rider R-3 – Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS	\$0.028653 <u>\$0.025204</u> per kWh	April 1, 2015 <u>Pending</u>	74973 <u>Pending</u>
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™)			
Solar Block Energy Rate for Residential Lifeline Discount, Rate R-06-01	\$0.050198 per kWh	February 1, 2011	71835 ¹
Solar Block Energy Rate for Residential Electric Service, Rate R-01	\$0.050324 per kWh		
Solar Block Energy Rate for General Service, Rate GS-10	\$0.048475 per kWh		
Solar Block Energy Rate for Large General Service, Rate LGS-13	\$0.049371 per kWh		
Solar Block Energy Rate for Municipal Service, Rate PS-40	\$0.049086 per kWh		
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™)			
Solar Block Energy Rate for Residential Electric Service, Rate R-01	\$0.053463 per kWh	July 1, 2013	73912
Solar Block Energy Rate for Small General Service, Rate GS-10	\$0.053274 per kWh		
Solar Block Energy Rate for Large General Service, Rate LGS-13	\$0.053227 per kWh		
Rider R-6 – Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery	\$0.008000 per kWh		
<u>Monthly Cap</u>	<u>Monthly Cap</u>		
For Residential Customers:	\$ 3.76 per month	January 1, 2015	74884
For Small General Service Customers:	\$ 100.00 per month		
For Large General Service Customers:	\$1,015.00 per month		
For Large Light & Power Customers:	\$8,000.00 per month		
For Lighting Customers:	\$ 100.00 per month		

¹The Rider R-5 approved by Decision No. 71835 is closed for new enrollment as of July 1, 2013

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: July 1, 2013
Decision No.: 73912